



CALIFORNIA VETERANS BOARD
GENERAL SESSION MEETING #667
Friday, April 23, 2004 – 9 A.M
Headquarters
Sacramento, CA 95814



GENERAL SESSION:

The California Veterans Board (CVB) monthly public meeting was called to order at 9 A.M. Board members present included Chairman George Sinopoli (Fresno), Vice Chairman Leo Burke, Members Judy Gaze (San Diego), and Edward Feldman (Thousand Oaks) by teleconference.

Charles Waters led the invocation. Anthony Sinopoli led the Pledge of Allegiance.

Secretary Thomas Johnson introduced CDVA Staff and newly appointed Deputy Secretary of Legislation and Public Affairs Robert Glazier.

Chairman Sinopoli introduced the members of the Board, and CVB Executive Officer Sandra Munoz.

Chairman Sinopoli welcomed the audience and asks to introduce themselves.

Motion moved to approve March 5, 2004 minutes. Leo Burke motioned, Seconded Judy Gaze.

Connected teleconference with Edward Feldman, member who could not be present due to health issues.

Chairman Sinopoli introduced Ed Feldman, member by teleconference. Explanation given quorum requirement and vote needed by all remaining board members. Agenda order will be slightly changed.

SELECT COMMITTEE REPORT

Legislation Committee, Leo Burke motioned the following legislation AB 207, AB 214, AB 279, AB 323, AB 1148, AB 1736, AB 1919, AB1928, AB 3000, AJR 36, SB 1143, SB 1517, SB 1688, SB 1807, SJR 17 to be endorsed by the board. Judy Gaze asked the Chairman to table AB 1919 for further study.

Motion to approve all bills read by Vice Chairman Leo Burke except AB 1919, motion approved by all board members. Table AB 1919 until next meeting.

Contracts, George Sinopoli, Motion to approve Bid on Contract for Auditing Services. Judy Gaze asked if the contract was for renewal of existing contract, the answer was affirmative.

Motion to approve contract Judy Gaze, Ed Feldman seconded. Motion approved.

NEW BUSINESS

Informal Hearing of Anthony Mosqueda: Judy Gaze gave a brief synopsis. Requested Christine Pfost of foreclosure unit to give testimony for CDVA. Christine Pfost gave testimony regarding payment history of Cal Vet loan on Anthony Mosqueda.

Melody Mosqueda gave testimony.

Judy Gaze gave recommendation that we uphold CDVA decision and deny the appeal and let the department proceed with the cancellation the veterans contract. Requested the department to issue the payment history to appellant to help veteran refinance.

Motion to deny the appeal by Judy Gaze, seconded by Ed Feldman.

Informal hearing of John Warren, appealing disability insurance coverage policy and to opt out with a retro for three years. Judy Gaze presented appeal.

Judy Gaze motioned to deny appeal and seconded by Leo Burke.

OLD BUSINESS

Status of HR 1742 and AB 1736

Member, Judy Gaze reported the status of HR 1742. HR 1742 currently in Way and Means Committee, need to work with Congressman Bill Thomas to get bill out of Ways and Means Committee and get it approved to help all veterans with a lower interest Cal Vet loan.

Chairman, George Sinopoli recommended everybody's help in motivating congressman Bill Thomas from Bakersfield. He is the one holding it up.

Secretary Thomas Johnson reported on the five states involved. Congressman from Wisconsin is taking the lead. Weekly phone conferences with all five states. Negotiating this through, potential compromises on various limits. We want it to pass; this bill has been sought for many years but has not passed.

Member, Judy Gaze commented on the need to pass it soon is better than later due to BRAC (base realignment closure committee) looming in the near future. Secondly, homes in California are more expensive than homes in Wisconsin or Texas. If levels are too low we might only be able to help a few veterans.

Vice Chairman, Leo Burke reported meeting with Congresswoman Nancy Pelosi from San Francisco, which meet for twenty-five minutes, she did not give her support or non-support of HR 1742.

Member, Ed Feldman signed off.

Audience: Bruce Thiesen, reported that Congressman Thomas needs to be addressed at a Presidential level. Governor needs to address the President to advise Congressman Thomas to take HR 1742 out of committee. Kern County needs to vote Congressman Thomas out.

Status of AB 1732

Secretary Thomas Johnson reported the current status of AB 1732. Bill has passed and set a side pending budget of next year. Once budget approved AB 1732 will be made use of bond money for acquisition of properties and beginning of planning of additional homes.

Chairman, Sinopoli questioned why was AB 1732 set a side.

Secretary Johnson answered AB 1732 was one of a group of bills that happened to be in this gap when Governor Schwarzenegger stated he would not sign any bills that would allow additional encumbrances until the budget is passed. We expect when the budget is passed the bill will be signed.

Chairman Sinopoli asked how soon would budget be expected to pass.

Secretary Johnson July 1st.

Audience, Charles Waters commented on AB 1736 time frame. Losing another year for the home to be built in Fresno, we want to be scheduled, we don't want to be rolled over, and we want the bill reworded.

Audience, Chuck Parnell commented on AB 1736. We are not on track. Bill is currently delayed one year and it won't take effect until next year, which will have delayed additional year. The longer it is delayed the inflation rate will increase. The more critical as time goes on. We need to encourage the Governor and we hope the Secretary will be in touch with Governor Schwarzenegger to encourage him to sign the bill. There is an urgency clause in the bill.

Audience, Tom Kraft from Lancaster commented on Proposition 16, which was passed by the citizens of California. Proposition 16 has fifty million dollars, twelve million for Lancaster Home, twelve million for Saticoy, twenty-six million for West Los Angeles. The problem is Sacramento. I share the frustration and disappointment along with those in Fresno and Shasta County. I sat on the commission. We need to move now on this.

Audience, David Grafft consultant Senate Veterans Committee reported on the process on how the Governor can write a letter to the assembly or senate requesting a bill to be brought to his desk for signature.

Audience, Larry Lattman bond money and has nothing to do with the budget. The longer we wait the more problems we have.

Secretary Johnson shares the frustration of the long history on this bill, which was expected a shorter time frame. Senator Knight had commented on the number of times the sign has been repainted. It is a tremendously frustrating. The Governor has inherited this problem with a number of constituents requesting their bills or programs be brought forward or moved forward. He has a difficult task but Government has been restructured but he is not unsupportive of our efforts. There is no doubt about it that they slipped in the time frame at least one year. For now on we are keeping those time lines, and we are going to keep on working on these issues.

Chairman Sinopoli commented on how the Governor can request a bill be brought forward.

Secretary Johnson yes that is true but it would be unfair which bill would be brought forward.

Audience Charles Waters commented on the number of veterans in the State of California, over three hundred thousand very nervous in the Valley and three million in the state of California.

Audience Regina Vann Governor's Office Constituent Affairs reported that the Governor's Office has received over five hundred letters from constituents and congressman regarding the cemetery up north as well as the Veterans homes. We would like to address these letters and get with the office of Secretary Johnson.

Steering Committee Time Line Status

Secretary Johnson reported that there are four levels of approval for the MOU. First level our internal team, the second level is the state team, DGS etc, third level is GLAVC in Los Angeles and the fourth level is USDVA. Three of the four levels have approved the MOU and it now at the general counsel with USDVA. We are already ready to have it signed off.

Status Of Marketing Efforts

Secretary Johnson reported that we do have a need of marketing efforts for the homes, especially Barstow. Barstow is working diligently with the VA social work staff and VSO's etc for the DOM area because ICF is full but currently they do have a formal marketing plan but I have talked to them about putting that together. Right now it is informal. Robert Glazier is working on way we can communicate and the broad based Veterans Organizations on where there are spaces available. I think the Farm and Home has a formal marketing plan.

Ron Brand, Marketing Manager reported a current proposal under discussion throughout the department a annual plan for marketing so in the future everyone will know what, where and when events are occurring how much the cost will be. In the next couple of weeks we should have a formalized annual marketing plan to submit to the board, the Secretary and the undersecretary so you will know exactly what is going to happen each month what marketing is going to occur and so you can pass this on to the members. All the veteran's organization will be notified of activities, related issues by a monthly news article.

Chairman Sinopoli asked about a place called Running Horse and the property of the future Veterans Home in Fresno. This man is selling a high number of properties and I inquired at one time if we could have brochures in this office advertising Cal Vet loan.

Ron Brand, Marketing Manger working with California Builders Association statewide by purchasing ads in their news articles to make sure they know that the program still exists.

Chairman Sinopoli I go out there to the site of our future veterans home once in a while to check up on our sign and they know who I am and they talk to me about the property and the veterans home. Brochures should be available in that office so everyone will know that Cal Vet is available.

Ron Brand, Marketing Manager we got approval to redesign our brochures.

Secretary Johnson asked if you hear about a specific builder in a specific community where we have a district office do you have the capability to have them supply brochures to that builder?

Ron Brand, Marketing Manager answered yes, through the district staff.

Chairman Sinopoli commented not only in Fresno are brochures needed but through out the state of California.

Ron Brand, Marketing Manager reported that we are working on getting these newly designed brochures in every office such as mortgage brokers, bankers, realtors, and builders especially the CVSO's.

Status Of Independent Counsel

Chairman Sinopoli reported that we currently have a retired attorney on the Select Committee by the name of Howell Jackson.

HIPAA

Chairman Sinopoli asked if anyone from HIPAA, no reply. Mr. Sinopoli commented he took the course at the VA hospital.

State Cemetery

Secretary Johnson reported that we were successful along with the Governor's office, and the legislative team and the board of supervisors in Shasta County; we meet over the operating agreement. The Federal Government has approved the MOU and the contract is being worked on so it can be bid. A change was made to the addendums to be included in the contract. Staff will not be added until about four months prior to opening the cemetery.

NEW BUSINESS

Morale Welfare and Recreation Fund Proposed Trailer Bill

Jack Kirwin, budget officer reported on MWRF trailer bill The trailer bill language is associated with the proposal to the Governor's budget to directly funding stream from the un-reimbursed cost of care from the residents estates and shift the funding stream from the MWRF to the general fund reimbursement to reduce the contribution of the general fund to the operations of the homes. A trailer bill is connected to the budget act so when the budget is passed the trailer bill follows right along with it so it does not disconnect. Currently the proposal to do that has been hear by the Assembly budget committee and has adopted it but the Senate budget committee has rejected it and know will automatically go to conference.

Chairman Sinopoli asked where is this money raised.

Jack Kirwin MWRF sources come from a special fund established at each of the homes. Sources from Un-reimbursed cost of care, enterprise, operations and donations. Goes to MWRF and homes have it set up so that the residents help with the suggestions of the use of the funds but the final approval is made from the administrator of the home.

Member Judy Gaze asked how much is money comes from estates into the funds and secondly how does the state envision raising money for the MWRF because the needs that MWR pays for will still be there.

Jack Kirwin the proposal is 1.3 million on an annual basis to be streamed into the general fund. The homes are spending approximately 700 thousand dollars per year. It would deplete the MWRF at each home by eight years at Yountville, about five years at Barstow and Chula Vista.

Tom Montague, Vice Chairman Allied Council Yountville disagreed with the origin of the MWRF of Yountville. A small amount comes from un-reimbursement etc. A gentle that spend his entire career in the world of finance and investments, Bob Anderson. Through his wise investment he brought zero balance to where it is now. Read the MWR statute Section 1047 and 1048 of the Military and Veterans Code. The fund belongs to the home and not the state. Mr. Montague gave an example of how the MWR has helped with a future purchase of an ultrasounds machine.

Charles Waters announced that the Governor couldn't take this money away from the veterans if they take this money we will come in buses from all over the state and flood the capitol with veterans.

Larry Lattman the average life expectancy at a Veteran home is five years and the MWRF was designed to bring a smile to the veterans living at the veteran's homes. Larry gave an example of how the MWRF has helped with the variety support needs within the home of Yountville. It is not state funds in the MWRF.

Judy Gaze asked if the current trailer bill intended to deplete the current money in the MWRF?

Jack Kirwan No.

Judy Gaze second question if an individual dies without any heirs the un-reimbursed cost of care charged by the state would be debited from that estate and go the general fund and anything above that would also go to the MWRF.

Jack Kirwan the bill does not state it.

Secretary Johnson agreed with it should go to the MWRF and it should be stated that way.

Judy Gaze agreed that if an individual bequeath their estate the state should take out the un-reimbursed cost and the rest should go to the MWRF. What would be the plan that would take place in order not to deplete the MWRF for legitimate expenses?

Secretary Johnson we do agree that we don't want the homes to have a lesser quality of life and we don't want that to diminish. Gave his background in health care and examples of the needs associated with quality of life and the differences it makes. There are ideas out there and we want to keep the same level of quality of life maintained that have been discussed.

Jack Kirwan both hearings it was discussed if whether a sunset clause written into the trailer bill language when the state economy turns around it would revert to the current situation.

Member Judy Gaze the issue is how much should the taxpayers of California pay out of their pockets for a veteran who requires a huge amount of services but because the law limits the payment he makes.

Vice Chairman Burke stated at one time the board approved the budget for the MWR according to the Military and Veterans Code but when it was changed to the MWR this has not happened.

Bruce Thiesen stated to Judy Gaze that when deceased bequeath to their heirs the state bills the heirs for the un-reimbursed charges.

Member Judy Gaze agreed

Chairman Sinopoli asked Jack Kirwan how does a Veteran Organization get notified about this type of issue unless it comes through this board.

Jack Kirwan all the proposals are published as part of Governor's budget every year and also show up in each Agenda for each of the budget committees.

Chairman Sinopoli asked how many veterans organization that are represented here knew about this trailer bill?

Tom Montague an attempted was made a few years ago, this is an attempt to raid the MWRF.

Member Judy Gaze the MWRF would not be raided.

Secretary Johnson the money in the fund would not be taken away; the proposal is the new un-reimburse cost of care would go to the state and the remainder would go to MWRF.

Tom Montague would provide a break down on these two items at the next board meeting.

David Grafft watched subcommittee on TV when Senator Chesbro, Chairman who gave a passionate defense for the Morale Fund made the proposal to the senate committee. Senator Chesbro will fight in defense regarding this legislation proposal.

Secretary Johnson commented that how this word got out. I meet with Allied Counsel and Senator Chesbro.

Chairman Sinopoli commented on that there are a lot of veteran organizations that are not involved and did not see the budget.

Board Members

Chairman Sinopoli commented that we are need for new board members and are currently waiting for appointments.

Member Judy Gaze asked if the Governor is working on the appointments.

Audience, Charles Waters referred to AB 1919 and made comments. Disagreed with Judy Gaze that any veteran should be able to set on the board.

Review Policy Revision Priority for Single Rooms at Yountville

Chairman Sinopoli stated that due to Member Ed Feldman stepping down and unable to work on it and allowing the status to stay where it is currently until a decision will be made when new board members are appointed.

REPORT FROM BOARD MEMBERS ACTIVITIES FOR MARCH 2004

Vice Chairman Leo Burke on April 15, 2004 meet with Secretary Johnson, Deputy Robert Glazier and George Sinopoli, was a very productive meeting, we appreciated their candidness and we see things moving forward. The 17th and 18th addressed a homecoming for the American Legion and gave out a plaque from the Veterans Board.

Member Judy Gaze participated in several conference calls with the department and made a presentation to a lobby group about HR 1742.

Chairman Sinopoli expressed thanks to Secretary Johnson for inviting the Vice Chair and Chairman to have a meeting. We accomplished through the discussion of what is happening with the department and with the veterans of California.

Secretary Johnson on California Veterans Homes stated that there are challenges at each of the homes and in the process of replacing the deputy secretary leadership of the homes. We are working with the Governor's office in replacing that position with someone with great administrative experience and great health care experience, experience working with physicians as well as building projects. Not only bring excellent leadership to existing homes but also will work hard as we prepare our new homes. We are getting great support with the Governor's Office. Each home is unique. Goal is working with license responsibilities and USDVA. Mr. Andries has moved on to other areas and so Mr. Robert Johnson has taken over this capitol construction development and strategic planning. Working with the Governor's Office we have been able to complete concerns regarding future financing and have forwarded to the division at USDVA in Washington, Mr. Frank Salvas. The total expenditure anticipated a final total of 151 million, which started out at 78 million. The high-rise environment for West LA had to increase the projection. They only receive 100 million per year for state home construction and we are currently working with the USDVA on that schedule.

Judy Gaze Farm and Home reported that the Cal Vet Home Loan is on the Internet and about one third are using the Internet, which is convenient and saves labor.

George Flores reported added a few things on the Cal Vet Program. For the month of March we funded 164 loans, which is up from February.

Member Judy Gaze asked how is the rate of refinance countering this. Are we gaining in total loans?

George Flores the refinance has succeeded our intake but it has slowed down, last year was average 900 per month today is has slowed down to average 300 per month because our interest rates are lower. Secondly we are working with a new insurance broker, we are scheduled for the interview and eventually sign a new contract.

Jack Kirwan on Veteran Services gave an update on available funds on to make available outreach programs for homeless veterans. The Secretary signed the letter this morning for the distribution to allow some organization to apply for funds to help in their stand-downs and homeless veterans outreach programs.

Chairman Sinopoli reported that there is no report for Policy and Procedures due to Ed Feldman stepping down.

Joe Maguire legal report was given.

PUBLIC COMMENTS – THREE MINUTE LIMIT

Imogene Lambert
Shirley Coen
Thomas Craft
Charles Waters
Phelps Hobart
Tom Montague
Bruce Thiesen
Chuck Parnell

Secretary Johnson recommended at the next board meeting a presentation on the use of the bond money will be presented by a member of his staff.

FUTURE MEETING DATES AND LOCATIONS:

All meetings take place on Friday unless notified.

Next board meeting May14, 2004 Clovis

Yearly schedule is posted on web site: www.cdva.ca.gov/board

CLOSED SESSION (if necessary or required)

The general reason or reasons for a closed session, and the specific statutory authority therefore, are (1) to consider the appointment or employment of a public employee under the authority of Section 11126(a) of the Government Code; and (2) to confer with or receive advice from the Board's legal counsel regarding pending litigation under the authority of Section 11126(E)(2)(A), (2)(B), and (3) of the Government Code.

- There being no further business to discuss the meeting was adjourned at 11 a.m.
- These minutes are only a summary of the proceeding portions are reported here verbatim.
- These minutes are posted to the California Department of Veterans Affairs on-line website at www.cdva.ca.gov/board

ADJOURNED at 11:25 a.m.